

County of San Diego

Department of General Services Real Estate Services Division

REQUEST FOR INTEREST (RFI)

FOR THE LEASE AND OPERATION OF THE:

DESCANSO DETENTION FACILITY

7878 Campbell Ranch Road **Alpine, Ca. 91901**

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DESCANSO DETENTION FACILITY 7878 Campbell Ranch Road, Alpine 91901 Request for Interest (RFI)

County of San Diego December 18, 2009

Overview

DESCANSO DETENTION FACILITY: LEASE OPERATOR OR POSSIBLE PURCHASE

The County of San Diego seeks to identify qualified interested parties willing to lease and operate or purchase the County-owned Descanso Detention Facility (DDF) located at 7878 Campbell Ranch Road in the community of Alpine. The facility is located on approximately 21 acres of a 98.16 acre parcel that is southwesterly of Interstate 8 and Japatul Valley Road. The facility was constructed in 1958 and consists of 38 buildings totaling approximately 55,580 gross square feet. Buildings include 12 dormitory-type housing facilities, main kitchen, laundry, medical dispensary, supply warehouses, numerous educational classrooms, and an administrative building. The administrative building includes offices, conference room, briefing and locker rooms, and a workout room. The facility is served by existing wells and has water reclamation plant.

DDF is classified as a Type II medium security facility with a Corrections Standards Authority (CSA) rated capacity of 440 inmates. The Sheriff has occupied the facility since around 1982 and has indicated that the average daily population was around 330 inmates during their occupancy. Approximately 70 Sheriff employees were assigned to this facility at any one time. The facility is located approximately 40 miles easterly of downtown San Diego and is roughly one-quarter mile from Interstate 8.

The County's preference is to enter into a lease agreement with a qualified operator for this facility. It is the intention of the County to sever its management responsibilities for the facility and to develop a positive revenue stream that is representative of the value of the land and the existing improvements. In submitting a response to the RFI, it is of primary importance that that the operator include information on how the facility will be utilized and the business experience and qualifications of the operator and a Conceptual Project and Phasing Plan if any major renovations or structure relocations or new development are proposed for this property. The selected operator will be responsible for working with the local community groups and obtaining any necessary land use approvals from the County Department of Planning and Land Use.

Purpose of this Request for Interest (RFI)

This Request for Interest (RFI) is the first step in the County's effort to find a qualified

operator to utilize and maintain the Descanso Detention Facility. The Real Estate Services Division (RES) of the Department of General Services will evaluate submittals to determine if there is sufficient interest to request the County Board of Supervisors to authorize the issuance of a formal Request for Proposals (RFP). If there are multiple responses to a formal RFP a Review Panel will be established to assist County staff in evaluating submittals.

If a Request for Proposals is authorized and an operator is selected, the operator will work with County staff to complete a long-term lease that will be financially beneficial to the County and will provide the operator sufficient latitude to create an operation plan that will maintain and preserve the facility and meet the County's revenue objectives.

Review of Request for Interest (RFI) Submittals

The review of the Request for Interest submittals for this proposed facility lease will entail a four-step process.

- **I.** <u>Issuance of Request for Interest and Evaluation of Submittals:</u> This process will focus on the qualifications and prior experience of interested operators, including their financial strengths, and previous project and operations experience.
- **II.** Recommendation of Sufficient Qualified Interest: Upon review of all operator submittals, RES will make a recommendation that the County Board of Supervisors authorize the issuance of a formal Request for Proposals if there is interest from more than one operator or to potentially propose a lease to an operator if there is only one qualified respondent to this RFI.
- III. <u>Issuance of Request for Proposals</u>: If there is interest from more than one operator it is anticipated that the Board of Supervisors will authorize the issuance a formal Request for Proposals (RFP). The deadline for submittal of proposals will be approximately sixty (60) days from Board approval. All operators, companies, and individuals responding to the Request for Interest and any other interested parties will be notified of the issuance of the RFP and the final submittal date for a proposal.
- IV. <u>Selection of Operator:</u> The Review Panel will evaluate the submittals in response to the RFP and, upon finding that at least one proposal meets the RFP qualifications criteria, will make a recommendation to the Board of Supervisors for consideration to authorize a lease to the highest-ranking operator. Highest consideration will be given to the qualifications and prior experience of the operator, the demonstrated understanding of the requirements to operate the facility, the overall investment in the facility and any future proposed improvements, and in achieving the County's desire for a maximum return on the value of its property. Each proposing operator will be given an opportunity to make a presentation to the Review Panel. The County staff is under no obligation to proceed with a recommendation to the Board if the Selection Committee deems none of the proposals satisfactory and the Board may consider a proposal

but is under no obligation to approve a recommendation or authorize a lease or any other agreement with a selected proposer.

V. <u>Negotiation of a Lease Agreement</u>: Following the Board's final selection of the best-qualified operator, County staff will enter into negotiations for a Lease Agreement based on the proposed terms outlined in the submittal and in accordance with the recommendations presented to the Board of Supervisors. Should negotiations with the first operator not result in a mutually acceptable Lease Agreement, negotiations may proceed with the next highest ranked operator.

Selected Operator Team Obligations

It is anticipated that the selected operator team will consist of detention personnel, operations and maintenance personnel, architect(s) and engineer(s), and facility managers. The following is a general overview of **anticipated** operator team obligations. At a minimum, the selected operator team must provide the following services:

- A. <u>Operation and Management Plan</u>: The operator will be responsible for the full operation and maintenance of the Descanso Detention Facility during the term of the Lease Agreement. This plan should incorporate any maintenance or renovations required prior to occupancy and any modifications that may be required for continued use and include a full overview of all operation and maintenance responsibilities.
- B. Renovation and Development Plan: The operator will be responsible for any necessary renovation of the existing structures and new construction that may be proposed to optimize the potential of the facility. This plan should identify required renovations and any proposed new construction or improvements to the facility.
- C. <u>Development Approvals</u>: Procuring all necessary zoning, permitting, and other regulatory approvals shall be the sole responsibility of the selected operator. This will include any CEQA requirements, land use entitlements, building permits, zoning and community plan requirements, hazardous/toxic waste assessments and remediation, and mitigation plans.
- D. <u>Financing</u>: The procurement of short and long term financing for proposed improvements will be the sole responsibility of the operator and information will need to be submitted should a financing plan be required.
- E. <u>Construction</u>: The operator will be responsible for the construction of any improvements. The operator will be required to submit plans and drawings of the proposed improvements to the County Lease Administrator for review and approval prior to the commencement of construction as well as obtaining building permits and land use approvals or other entitlements through the Department of Planning and Land use.

F. <u>Revenue Development:</u> The operator will be responsible for complying with all lease terms and for maximizing the generation of revenues to the County.

Status of Existing Property

Location:

The Descanso Detention Facility (DDF) is located at 7878 Campbell Ranch Road, bordering the communities of both Alpine and Descanso. DDF was construction in 1958 for the County Probation Department and was occupied by the Sheriff from roughly 1982 to July 2009. The facility is located on approximately 21 acres of a 98.16 acre parcel that is southwesterly of Interstate 8 and Japatul Valley Road. The facility was constructed in 1958 and consists of 38 buildings totaling approximately 55,580 gross square feet. Buildings include 12 dormitory-type housing facilities, main kitchen, laundry, medical dispensary, supply warehouses, numerous educational classrooms, and an administrative building. The administrative building includes offices, conference room, briefing and locker rooms, and a workout room. The facility is served by existing wells and a package sewer treatment plant.

Surrounding Land Uses:

The surrounding land uses are very low density rural residential with many large ranches in the area. The southerly portion of this 98.16-acre parcel was used by the County as a landfill and trash transfer site and will continue to be maintained and monitored by the County Department of Public Works as an inactive landfill in accordance with State regulations. The closed landfill area of this parcel will be excluded from the lease premises.

Utilities and Easements:

The property has electrical service from SDG&E and propane is currently provided by Amerigas under a bulk-rate contract with the County. There are four deep wells that serve the property and there is an on-site sewer reclamation plant. It is expected that the operator will have State licensed maintenance personnel qualified and capable of maintaining these facilities. More detailed information will be provided upon request.

RFI Evaluation Criteria

RFI responses will be evaluated according to the following criteria:

A. <u>Experience of the Operator Team</u>:

- 1. Record of successful business operations and management experience involving detention facilities or similar institutional services.
- 2. Design and/or rehabilitation experience involving projects or business operations of similar size and scope
- 3. Record of successful experience working together as an operator team on related projects.
- 4. Experience of the individuals proposed to work on this project

B. Financial Strength:

In addition to evidence of successful past project/management experience, each operator team must demonstrate that they have the current financial strength, management capability, and resources to oversee the daily operations and maintenance of this existing facility.

C. <u>Design, Planning, and Governmental Experience.</u>

Each operator team should demonstrate they have experience in designing and developing and/or operating detention facilities. Teams that are considering any expansion of use should have sensitivity to the surrounding area and the rural nature of the community. Any proposed new development should be compatible with any environmentally sensitive areas and surrounding adjacent rural residential uses. The architect, engineer, and operator should have experience in working with governmental agencies.

D. Ability To Create a Successful Operations and Management Plan:

For the RFI, the operator team should initially focus on and identify the key components necessary to successfully operate and/or manage the detention facility with no assistance from the County. Consideration should also be given to the County's goal to enhance revenue and to have the operator adequately maintain the facility during the lease term. The conceptual plan for any proposed future development will be required in greater detail should the Board of Supervisors authorize the issuance of an RFP.

E. Revenue Plan:

A proposed revenue plan should be included that clearly identifies the compensation to the County for its existing land and structures as well as additional income that may be generated from any additional future development/expansion of use.

NOTE: THE EVALUATION OF THE RESPONSES TO THE RFI DOES NOT CONSTITUTE ANY FORM OF COMMITMENT BY THE COUNTY. IT IS ANTICIPATED THAT EACH RFI RESPONSE WILL BE EVALUATED BASED UPON THE INFORMATION SUBMITTED IN THE RESPONSE PLUS ANY OTHER INDEPENDENT INFORMATION DEVELOPED BY THE COUNTY. THE COUNTY RESERVES THE RIGHT TO REQUEST CLARIFICATION OR ADDITIONAL INFORMATION FROM A RESPONDENT IF NECESSARY OR TO CANCEL THE PROCESS AT ANY TIME. ALL COSTS INCURRED IN RESPONDING TO THIS RFI ARE THE RESPONSIBILITY OF THE OPERATOR/DEVELOPMENT TEAM.

Selection Schedule

The following is the anticipated schedule for this process:			
December 18, 2009:	Issue RFI		
January 29, 2010:	Deadline for submitting RFI Responses		
February 19, 2010:	Review Panel Recommendation		
	Board of Supervisors authorization to issue RFP or		
April 13, 2010:	approve the Lease Agreement if only one response to RFI		
May 28, 2010:	Deadline for submitting responses to the RFP		
June 10, 2010:	Review Panel Recommendation after review of RFP Responses		
July 13, 2010:	Board approval of Lease Agreement with selected operator		
These dates are estimates only and can be changed at any time without prior notice.			

Submission Requirements

Each Statement of Interest (SOI) shall be organized in the following order/sections:

- A. <u>Title Page</u>: This shall show the respondents name, SOI title, and date of submittal.
- B. <u>Letter of Introduction</u>: The respondent shall include the name, address, and statement of whether the respondent is an individual, partnership, corporation, joint venture partner, or other entity. The letter shall also provide the name of the person(s) authorized to make representations for the respondent and his/her phone number. The person authorized to represent the proposal must sign the letter.
- C. <u>Previous Project Experience</u>: The response shall include the operator team's recent experience in developing and operating detention or other projects of similar scope and size. This should be detailed by each project, and include references
- D. <u>Government Experience</u>: The response shall identify operations/management and development projects that included negotiations with government entities.
- E. <u>Source of Financing:</u> The response shall include a letter from, or identification of, a source of financing indicating the general terms and conditions that would be required for the operator team to receive operations, renovation, construction and permanent financing, if required.
- F. <u>Operation and Management Plan</u>: Provide a plan showing proposed operation and management activities, including the development and phasing of any proposed expansion uses.
- G. <u>Project Schedule</u>: Provide a preliminary project schedule showing the anticipated time to make anticipated repairs and renovations, obtain any required land

- entitlements for new improvements, complete proposed improvements, and occupancy of the facility.
- H. <u>Conceptual Project Plan:</u> The response shall provide a conceptual land use plan showing existing improvements and any proposed expansion or new uses within the subject property. For any proposed new improvements or development, the operator team should analyze the likelihood of obtaining all necessary governmental approvals and community acceptance.
- I. <u>Revenue Plan:</u> The response shall include an analysis of the anticipated gross revenues to the County during the term of the lease as well as the potential lease income stream from any expansion or new uses on the subject property.

STATEMENTS OF INTEREST THAT DO NOT INCLUDE THE FORMAT AND A RESPONSE TO THE ITEMS LISTED ABOVE WILL BE DEEMED NON RESPONSIVE AND RETURNED TO THE SUBMITTER.

County of San Diego General Conditions

The following general conditions apply to this submittal:

- A. <u>General Guidelines for Content</u>: The response to the RFI shall be clear, concise, and detailed enough to enable the Review Panel to make a thorough evaluation and arrive at a sound determination as to whether the proposed operation and management plan and tentative development concept meet the goals of the County. The response to the RFI should demonstrate that the respondent has a thorough understanding of the County's goals and requirements
- B. <u>Duty to Inquire</u>: Before submitting a response to the RFI, respondents should carefully read all sections of this RFI and fully inform themselves as to all conditions and limitations. Should a respondent find discrepancies in or omissions from the RFI documents, or should the respondent be in doubt as to their meaning, the respondent shall at once notify the County.
- C. <u>Explanation to Respondents</u>: The County of San Diego reserves the right to interpret or change any provision of this RFI at any time prior to the submission date. Such interpretations or changes shall be in the form of an addendum, and will be made available to each person or organization that has received the RFI. Oral explanations will not be binding. The County, at its sole discretion, may determine that a time extension is required for submission of the response to the RFI. In such a case, an addendum shall include a new response to the RFI submission deadline.
- D. <u>Right to Judge Representations</u>: The Director, Department of General Services shall be the final judge of the acceptability of a respondent's written or oral representations in response to this submittal.

E. <u>Failure to Conform/Proof of Presentation</u>: Any response to the RFI that modifies or fails to conform to the essential requirements or specifications of the RFI will be considered non-responsive and unacceptable.

The County may require whatever evidence is deemed necessary, in the sole opinion of the Director of General Services, relative to the respondents' financial stability. The County also reserves the right to request further information from the authorized representative of a respondent, either orally or in writing. Written requests will be addressed to the authorized representative of the respondent.

- F. <u>Truth and Accuracy of Representations</u>: False, incomplete, or non-responsive statements will be cause for rejection of the response to the RFI. The evaluation and determination of the fulfillment of the above requirements will be the County's responsibility and its judgement will be final.
- G. <u>Rights to RFI Information</u>: Information disclosed in the response to the RFI and attendant submissions will become the property of the County.
- H. <u>Disclaimer:</u> This solicitation does not commit the County of San Diego to award a contract, approve a land use plan, to pay costs incurred in the preparation of a response, to procure a contract for any services, or to enter into any lease agreement. The County, at its sole discretion, may reject any and all submittals and incur no expense.
- I. <u>Board of Supervisors Contact</u>: Operator team members should not contact Board Members or Supervisors' staff regarding this solicitation. Questions or inquiries should only be directed to Carl Harry of the Real Estate Services Division of the Department of General Services. Any such unauthorized contact may be cause for rejection of a submittal.

Statement of Interest Submission

- A. Responses to the RFI are requested no later than 4:00 PM on January 29, 2010.
- B. Send or deliver Statements of Interest to:

Department of General Services Real Estate Services 5555 Overland Avenue, Building 2, Room 110 San Diego, CA 92123-1294

Attn: Carl Harry, Real Estate Project Manager

Subject: Request for Interest – Descanso Detention Facility

Ten (10) copies of each response to the RFI are requested.

C. Questions should be submitted in writing, e-mailed, or faxed to:

DEPARTMENT OF GENERAL SERVICES

Real Estate Services

Attn.: Carl Harry

5555 Overland Avenue, Building 2, Room 110

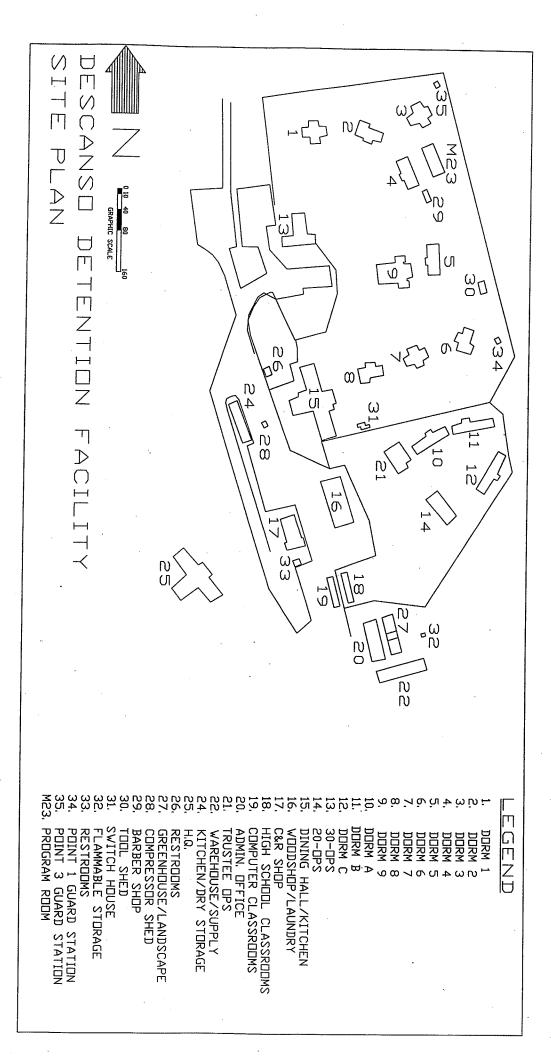
SAN DIEGO, CA 92123-1294

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The Real Estate Services Division Web Page <u>WWW.SDCRE.COM</u> will contain a copy of this RFI and any related pertinent information.





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